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11th District



2002 Session Preview and Survey

February 2002

Dear Neighbor,

As we prepare this newsletter, we are bracing ourselves for one of the most challenging legislative sessions in memory. The national and local economies are in a recession, the Boeing layoffs are starting to take their toll (contributing to one of the highest unemployment rates in the nation) and we are still responding to the impact of last fall's terrorist attacks on September 11th.

It is in these interesting times that we have to make difficult decisions about the state budget, come to an agreement on the transportation crisis and preserve programs that serve the most vulnerable members of our community.

Despite these challenges, we are honored to represent the 11th Legislative District and truly enjoy hearing from you about issues that you are concerned about. Please take a few minutes to fill out the Budget/Transportation survey and send it to us in Olympia. Your feedback will help us represent your interests in the debates over the budget and the search for a transportation solution.

We look forward to hearing from you.

Sincerely,

Eileen Cody

Rep. Eileen Cody
State Representative
11th Legislative District

Rep. Velma Veloria
State Representative
11th Legislative District

Toll-free Legislative Hotline: 1-800-562-6000

Hearing Impaired Hotline: 1-800-635-9993

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The Economy

We are starting the 2002 legislation session \$1.2 billion in the hole. Governor Locke has proposed a series of cuts to the state budget (and other measures) to balance it. At the same time, the economic down-



turn that started last year – exacerbated by the events of September 11th – has resulted in one of the highest unemployment rates in the nation.

What is going on here?

Last year, in June, we assumed that the downturn (now a full-fledged recession) would only be temporary. Most analysts assumed that our surplus funds and Emergency Reserve Fund would be able to hold us over.

Unfortunately, over the summer, the fiscal picture worsened and we experienced what some economists have called a "Perfect Storm."

We were not able to use certain surplus pension funds, the economy went into a full-fledged recession and an additional \$350 million had to be spent on firefighting, increased caseloads and school costs.

No one could have predicted the attacks of September 11th, much less their impact on our state's economy.

The first of Boeing's expected 20,000-30,000 layoffs hit in December, and scores of other companies have announced layoffs as well. Over the past few months, our unemployment rate has been vying with Oregon's for worst in the nation.

The State Budget

Revenue losses of more than \$800 million and increased budget needs exceeding \$300 million since June forced the Governor to submit a new budget for 2002.

His budget includes the elimination of 30 programs and the reduction of 440 state jobs.

Just as Washington residents have had to make difficult decisions about household budgets in the wake of 9/11, so will the Legislature. Just as individual families have had to make sacrifices to pay for essentials such as food, health care and the rent, so too will the Legislature.

Using the Governor's budget as a starting point, we need to identify priorities and make necessary cuts to services and programs while continuing to provide essential services to children, the elderly, refugees and dislocated workers.

Transportation

Residents of South King County are dependent on roads and transit to get to work and to get their goods to market safely and quickly. Our biggest employers and small businesses are dependent on quick and



efficient freight mobility and the predictability of a transportation network that is not paralyzed by gridlock.

A viable long-term transportation plan is the cornerstone to the long-term viability of our region's economy. Period.

The Governor's proposal, by no means a perfect solution, includes funding for some critical infrastructure projects in the South Seattle/Renton area.

They include the construction of transit ramps and improvements to the HOV network around the Spokane street exit on I-5, queue jumps, HOV bypass lanes and transit priority traffic signal improvements at Maple Valley Highway and NE 140th Way, funds to expand I-405 between Tukwila and Bellevue, and reconstruction of the I-405 – NE 44th interchange.

Our economic lives depend on the viability of the I-5 and I-405 corridors – they are the lifeblood of South King County. Without these necessary improvements, we will be jeopardizing the economic viability of our region and the state for many years to come.

Gridlock is not just a question of dollars and sense. It keeps us away from our homes and our loved ones. Now more than ever, our families need us at home, not in traffic.

Prescription Drugs

As we prepare this newsletter, a prescription drug proposal under discussion would have the following broad components: (Please note that this proposal is still being revised and may have changed by the time you read this).



A uniform preferred drug list would be developed for use across state agencies that purchase prescription drugs. The preferred drug list would:

• Be developed by a "Pharmacy and Therapeutics Committee" composed of independent doctors, pharmacists and other experts.

11th District • 2002 Session Preview

- Be based upon the clinical effectiveness of drugs.
 Cost would be considered only after a finding that two or more drugs were equally effective to treat a particular condition.
- Rely upon physicians to prescribe drugs in a manner consistent with the preferred drug list when medically appropriate for their patients. Those physicians who consistently prescribe expensive, newer drugs when other drugs are equally effective in most cases would be identified, and receive more information about the preferred drug list and how to use it more effectively.
- Allow the state to use the free market to gain better prices on prescription drugs that it purchases.

A drug utilization review program will be used to improve the quality of pharmaceutical care in state-purchased health care programs by ensuring that drugs in those programs are used appropriately, when medically necessary and to improve health care outcomes.

There will be increased physician and consumer education on appropriate use of prescription drugs, and clinically effective and cost effective use of drugs.

Disease management programs across state-purchased health care programs will be used to help improve health outcomes for persons with specific chronic illnesses.

Economic Opportunity

In taking a closer look at how government can collaborate with businesses to revitalize our economy, House Democrats have formed a



Task Force on Economic Competitiveness. This task force will focus on how businesses in Washington State are affected by the transportation and utility infrastructure, and will work to build a stronger, more competitive workforce.

Last year, the Legislature passed the most comprehensive education budget in decades – and did so without raising taxes. Public schools will receive almost \$900 million more and there will be over 3,500 new enrollments at state colleges and universities.

PROMISE SCHOLARSHIPS

Last session, we increased the number of Promise Scholarships to aid low and middle-income high-achieving high school seniors from around the state. More than 6,600 Washington students were eligible to receive these scholarships – equivalent to approximately two years tuition at state community or technical colleges.

COMMUNITY RENEWAL

We must help rural and urban communities to move forward with economic development projects in blighted areas. This legislation will allow cities and counties to develop plans and projects that will create jobs and provide economic opportunities. This proposal will not require any additional funds.

CERB FUNDING

We also plan on providing a permanent source of funding for the Community Economic Revitalization Board – a program that disburses infrastructure investments that stimulate economic development.

The CERB provides low-cost financing for public facilities improvements that are required for private development. Loans, and occasional grants, are available to cities, counties, ports and special utility districts to offset infrastructure costs. Eligible projects include access roads, sewer and water extensions as well as other public improvements required to make specific sites attractive for private sector development.

WASHINGTON JOBS INITIATIVE

This program would provide grants to local governments so that they can create local or regional programs designed to achieve livable wage jobs, promote retention and upward mobility for low-income job seekers.

Security

In this time of unconventional warfare, it is necessary that we develop new safety standards and precautions to protect our communities.



The federal government believes 85

percent of the work to fight terrorism must take place at the local level.

Washington will continue to be proactive in the face of terrorism, ensuring our public safety while protecting our civil liberties.

September 11 has also left us with new public health concerns: our air and water have never seemed so vulnerable. We are looking into new methods of protection and the state government is collaborating with federal and local governments, as well as emergency response teams, to guarantee that we are prepared to counter bio-terrorism.

2002 Budget/Transportation Survey

We have recently created a committee charged with the task of keeping our state safe. The newly formed Select Committee on Community Security will be responsible for assessing Washington State's capacity to prevent and respond to a terrorist attack. The committee will focus on state and local law enforcement agencies and emergency response teams.

Collective Bargaining

At least 22 states currently provide for collective bargaining by state employees over wages, terms and conditions of employment. In Washington, agreements are negotiated on an agency-by-agency



basis, resulting in inconsistent employment standards in more than 100 separate contracts. Since bargaining cannot include critical wage and benefits issues and work rules. A unified collective bargaining system for wages and benefits would focus negotiations on critical employee issues, simplify the bargaining process, and reduce the number and complexity of contracts.

Our state government should serve as a model for the private sector on how to treat workers with respect and dig-

nity. Instead, not only do we limit the most basic of all worker rights for these under appreciated unfairly maligned workers, there are those who would *take away* what these workers do have by promoting business-driven contracting-out efforts.

We will work hard to ensure that collective bargaining for state employees — Teaching Assistants at U.W. included — becomes a reality.

Safe Schools

Last year, the Legislature made education its top priority. House Democrats attempted to pass a measure to establish procedures to reduce bullying in our public schools. However, House Republicans



blocked both House and Senate versions of the bill from moving out of committee. This year, we are committed to passing anti-harassment legislation for public school children. While we work to protect our nation's borders and cities, we must also pledge to stop teasing and violence that torments nearly one in three middle and high school students.

2002 Budget / Transportation Survey

We are facing a very challenging budget situation. Please help us by taking the time to complete the following survey and mail it back to us.

Questionnaire Instructions:

Record your responses by shading the <u>entire</u> circle of your answer.

Shade circles like this:



Not like this:

Mailing Instructions:

When you have completed your survey, please fold up this document so our return address mail panel is visible, staple the open edge of the survey and affix a first class stamp.

Section 1: Budget Cuts

Within each department, which program would you cut first? Please fill in only one bubble.

1. K-12 Education (Total State Funds 2001-2003 = \$9.93 Billion)

- State funding for the following programs is eliminated: Complex Needs, Educational Centers, Pacific Science Center and Vocational Student Leadership.
 (\$3.8 Million)
- O State funding for the following programs is eliminated: Paraprofessional training, Readiness to Learn, and Educational Technology Improvement. State funding for the Principal Mentor Program is reduced. (\$7.2 Million)
- O In the 2001-02 school year, block grant funds are allocated at a rate of \$18.48 per student. The block grant is provided to school districts for the purpose of funding local educational enhancements. Beginning with the 2002-03 school year, the block grant allocation is eliminated. (\$14.2 Million)

2002 Budget/Transportation Survey

2. Department of Social and Health Services (Total State Funds = \$6.05 Billion)

- Aging and Adult Services Administration reimbursements to nursing homes will be reduced. Assumes that nursing homes will reduce operating margins.
 (\$34.7 Million)
- O The Treatment Accountability for Safe Communities (TASC) program will be eliminated on July 1, 2002. The program is intended to reduce drug abuse and criminal activity, to connect criminal justice and chemical dependency treatment systems, and to identify untreated offenders. The TASC program intervenes during the criminal justice process to provide assessment, case management, referral to treatment, and urinalysis monitoring. (\$3.5 Million)
- O Effective July 1,2002, all interpreter services currently provided to Medical Assistance clients or their providers will no longer be paid for by the state. (\$5.0 Million)
- O In the 2001-03 budget, the Developmental Disabilities Division received funding to hire 48 new case managers during fiscal year 2002. Hiring is frozen for these positions at the existing levels. (\$3.3 Million)

3. Department of Fish and Wildlife (Total State Funds = \$95.5 Million)

- The closure of several hatcheries across the state, combined with a reduction of chum production across the state, will result in fewer fish being available for recreational and commercial fishers. (\$1 Million)
- One permanent position will be eliminated from the Enforcement Division and other positions will not be filled. Due to fewer officers being in the field, the public may experience both an increase in officer response time and a decrease in enforcement for lower priority species. (\$0.8 Million)
- O Data collection, contaminant monitoring and technical assistance activities for the Puget Sound Water Quality Action Plan are reduced or eliminated to achieve state General Fund savings. (\$0.3 Million)

4. Department of Corrections (Total State Funds = \$1.07 Billion)

- O Low-risk offenders in the community report by telephone whenever there is a change in their residence, employment, alternative contact person, or new arrests. The Department will no longer supervise most of these lowest risk offenders. (\$1.2 Million)
- Reduces prison sentences for nonviolent drug and property offenders. (\$0.7 Million)
- O Eliminates supervision of offenders whose only remaining sentence condition is paying fines, restitution, or other court-ordered obligations. (\$1 Million)

5. Higher Education

- 3% reduction in the Operating Budget for Community and Technical Colleges. (\$16.3 Million; Total State Funds: \$1.05 Billion)
- 5% reduction in the Operating Budget for the University of Washington system. (\$18.1 Million; Total State Funds: \$684.9 Million)
- O Health Benefits Changes for CTC's and U. of Washington: Increase office visit co-payments, implement changes to the pharmacy benefit and increase the employee share of the monthly premium. (\$6.1 Million)

6. Now, which department should we start cutting from first? (Rank in order, 1 being first, 5 being last).

	- 1	2	3	4	5
K-12 Education	0	0	0	0	0
DSHS	0	0	0	0	0
Natural Resources and Recreation	0	0	0	0	0
Department of Corrections	0	0	0	0	0
Higher Education	0	0	0	0	0

7. Do you agree with the proposal to eliminate state support for local governments - making up for funds eliminated by I-695? (\$84.5 Million)



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Reps. Velma Veloria & Eileen Cody

PO Box 40600 Olympia, WA 98504-0600

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Sec	Section 2: Transportation								
1. Do you think the region's transportation problems are having a negative impact on the state economy?				3. Are you willing to see an increase in the gas tax to solve the problem?					
0 '	Yes		O No			O Yes	O No		
2. How bad is the state's transportation problem? (1 is "Really Bad," 5 is "Not a Problem")		Thank you for completing our survey.							
1	2	3	4	5		_	structions:		
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